

MOST-FAVORED-NATION TREATMENT IN CUSTOMS MATTERS

Exchange of notes at Managua June 11 and July 11, 1924¹

Entered into force July 11, 1924

Supplanted October 1, 1936, by agreement of March 11, 1936¹

Treaty Series 697

*The American Chargé d'Affaires ad interim to the Minister of Foreign
Affairs*

LEGATION OF THE
UNITED STATES OF AMERICA
MANAGUA, June 11, 1924

No. 354

MR. MINISTER:

I have the honor to communicate to Your Excellency my understanding of the views developed by the conversations which have recently taken place at Managua on behalf of the Governments of the United States and Nicaragua, with reference to the treatment which the United States shall accord to the commerce of Nicaragua and which Nicaragua shall accord to the commerce of the United States.

These conversations have disclosed mutual understanding between the two Governments, which is that in respect to import, export and other duties and charges affecting commerce, the United States will accord to Nicaragua and Nicaragua will accord to the United States unconditional most favored nation treatment with, however, the exception of:

(1) The special treatment which the United States accords or may hereafter accord to importations from Cuba;

(2) Special treatment of commerce between the United States and its dependencies and the Panama Canal Zone and among the dependencies of the United States and,

¹ EAS 95, *post*, p. 395.

(3) The treatment which Nicaragua accords or may hereafter accord to importations from or exportations to Costa Rica, Guatemala, Honduras or Salvador.

The true meaning and effect of this engagement is "that no higher tariff or other duties shall be imposed on the importation into the United States of any articles the produce or manufacture of Nicaragua than are or shall be payable on the importation of like articles the produce or manufacture of any foreign country with the exception of Cuba."

"That no higher or other duties shall be imposed on the importation into Nicaragua of any article the produce or manufacture of the United States than are or shall be payable on like articles the produce or manufacture of any foreign country with the exception of Costa Rica, Guatemala, Honduras or Salvador".

"That, similarly, no higher or other duties or charges shall be imposed in either of the two countries on the exportation of any articles to the other than are payable on the exportation of the like articles to any foreign country with the exception of those mentioned above".

It is understood that, with the above-mentioned exceptions every concession with respect to any duty affecting commerce now accorded or that hereafter may be accorded by the United States or by Nicaragua by Law, Proclamation, Decree or Commercial Treaty or Agreement to the products of any third country will become immediately applicable without request and without compensation to the commerce of Nicaragua and the United States respectively.

It is, however, the purpose of the United States and Nicaragua and it is herein expressly declared that the provisions of this arrangement shall not be construed to affect the right of the United States and Nicaragua to impose on such terms as they may see fit prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life or regulations for the enforcement of police or revenue laws.

The present arrangement may be terminated by either party on thirty days notice. In the event, however, that either the United States or Nicaragua shall be prevented by legislative action from giving full effect to the provisions of this arrangement, it shall automatically lapse. I shall be glad to have your confirmation of the accord thus reached.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

WALTER C. THURSTON

His Excellency
DOCTOR JOSÉ ANDRÉS URTECHO,
Minister for Foreign Affairs.
Managua.

The Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

Diplomatic Section No. 460

MANAGUA, July 11, 1924

SIR:

I have the honor to communicate to Your Excellency my understanding of the views developed in the conversations recently had in Managua on behalf of the Governments of Nicaragua and the United States, with reference to the treatment which Nicaragua shall accord to the commerce of the United States and which the United States shall accord to the commerce of Nicaragua.

These conversations have demonstrated mutual understanding between the two Governments, which is that in respect to import, export and other duties and charges affecting commerce Nicaragua will accord to the United States and the United States will accord to Nicaragua unconditional most favored nation treatment with, however, the following exceptions:

(1) The treatment which Nicaragua accords or may hereafter accord to importations from or exportations to Costa Rica, Guatemala, Honduras or Salvador;

(2) The special treatment which the United States accords or may hereafter accord to importations from Cuba; and

(3) The special treatment of commerce between the United States and its dependencies and the Panama Canal Zone and among the dependencies of the United States.

The true meaning and effect of this engagement is "that no higher tariff or duties shall be imposed on the importation into Nicaragua of any articles the produce or manufacture of the United States than are or shall be payable on the importation of like articles the manufacture or produce of any foreign country with the exception of Costa Rica, Guatemala, Honduras and Salvador."

"That no higher tariff or other duties shall be imposed on the importation into the United States of any article the produce or manufacture of Nicaragua than are or shall be payable on like articles the produce or manufacture of any foreign country with the exception of Cuba."

"That, similarly, no higher or other duties or charges shall be imposed in either of the two countries on the exportation of any articles to the other than are or will be payable on the exportation of the like articles to any foreign country with the exception of those mentioned above."

It is understood that with the above mentioned exceptions every concession with respect to any duty affecting commerce now accorded or that hereafter may be accorded by Nicaragua or the United States by law, proclamation, decree or commercial treaty or agreement to the products of any third country

will become immediately applicable without request and without compensation to the commerce of the United States and Nicaragua respectively.

It is, however, the purpose of Nicaragua and of the United States, and it is herein expressly declared that the provisions of this arrangement shall not be construed to affect the right of Nicaragua and the United States to impose on such terms as they may see fit prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life or regulations for the enforcement of police or revenue laws.

This present arrangement may be terminated by either party on thirty days notice. In the event, however, that either Nicaragua or the United States shall be prevented by legislative action from giving full effect to the provisions of this arrangement, it shall automatically lapse. I should be glad to have your confirmation of the accord thus reached.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

J. A. URTECHO

The Honorable

WALTER C. THURSTON,

*Chargé d'Affaires ad interim of the United States.
Legation.*